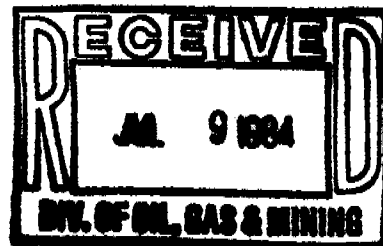


STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

SUBMIT IN DUPLICATE*
 (Other instructions on
 reverse side)

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>		5. Lease Designation and Serial No. FEE
b. Type of Well Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone <input type="checkbox"/>		6. If Indian, Allottee or Tribe Name
2. Name of Operator SUBSURFACE RESOURCES, INC.		7. Unit Agreement Name
3. Address of Operator 690 Southwest Street, Logan, Utah 84321		8. Farm or Lease Name S. J. POSTMA
4. Location of Well (Report location clearly and in accordance with any State requirements.) At surface South 1981' and East 2081' from NW Cor of Sec 2 At proposed prod. zone SE 1/4 NW 1/4		9. Well No. SRI 1-2
14. Distance in miles and direction from nearest town or post office* 16 miles west of Tremonton, Utah		10. Field and Pool, or Wildcat Wildcat
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drlg. line, if any) 1980 feet		11. Sec., T., R., M., or Bk. and Survey or Area Sec 2 T11 N R 6 W
16. No. of acres in lease 2327		12. County or Parrish Box Elder
17. No. of acres assigned to this well 40 acres		13. State Utah
18. Distance from proposed location* to nearest well, drilling, completed, or applied for, on this lease, ft. 0		19. Proposed depth 2,000 feet
20. Rotary or cable tools Rotary		21. Elevations (Show whether DF, RT, GR, etc.) 4900 feet
22. Approx. date work will start* July 12, 1984		23. PROPOSED CASING AND CEMENTING PROGRAM
Size of Hole	Size of Casing	Weight per Foot
8-3/4"	7"	Setting Depth
roduction 5-5/8"	4"	150ft
		Bottom of hole
		Quantity of Cement 100 bags



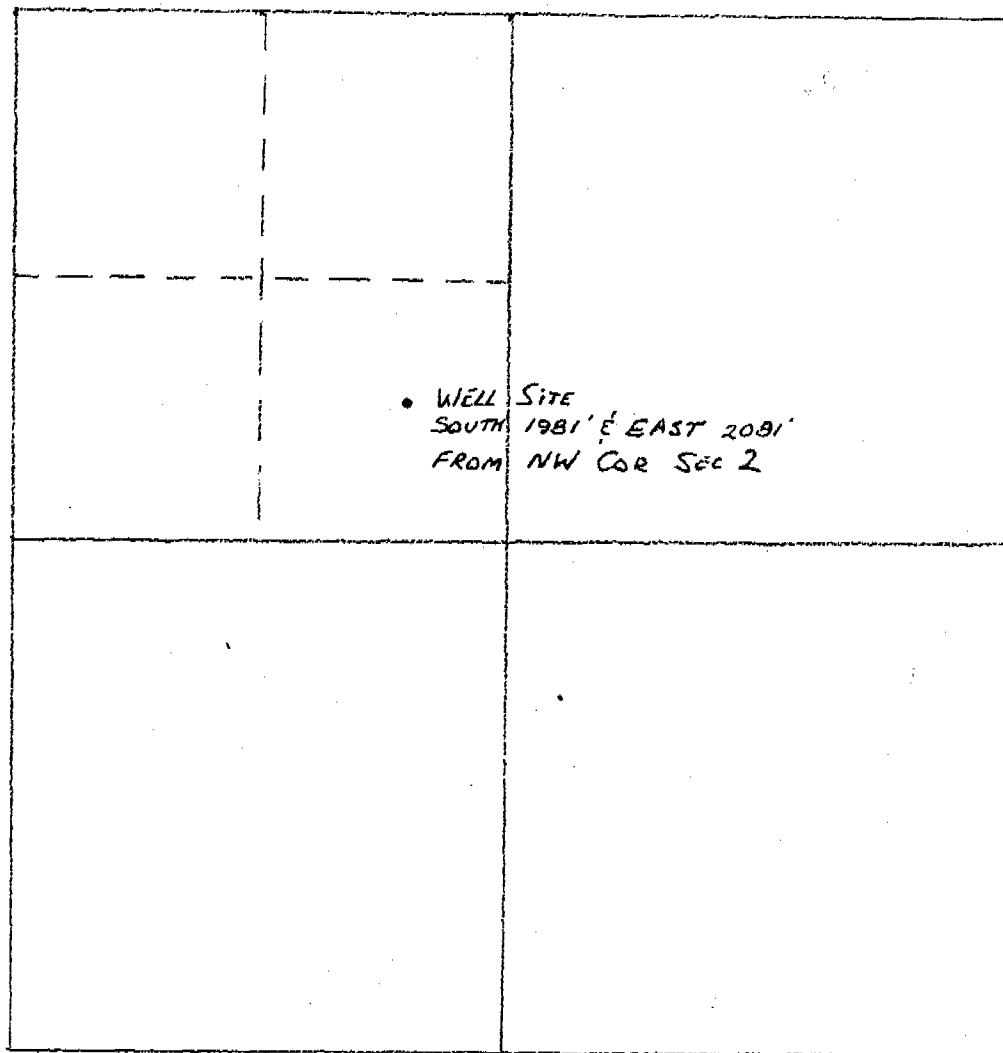
A simple gate blowout preventer will be used along with orbit valve.

Drilling water will be used from land owners private well

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. Signed <u>Seby A. Rager</u> Title <u>Sec</u>		APPROVED BY THE STATE OF UTAH DIVISION OIL, GAS, AND MINING DATE: <u>7-9-84</u> BY: <u>[Signature]</u>
(This space for Federal or State office use)		
Permit No.	Approval Date	
Approved by	Title	
Conditions of approval, if any:		

SECTION 2 TOWNSHIP 11 NORTH RANGE 6 WEST



SURVEYOR'S CERTIFICATE

I, Randy L. Bott, residing in Millville Cache County, Utah, do hereby certify that I am a Registered Land Surveyor, that I hold Certificate No. 5559 as prescribed for by the laws of the State of Utah, that I have located a well site for Subsurface Resources Inc. The location is described as follows:

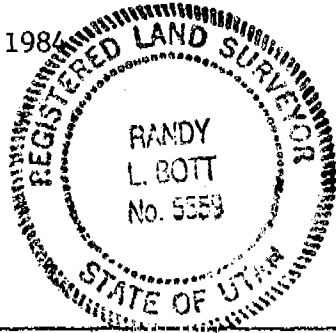
Part of the Southeast $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ of Section 2, Township 11 North, Range 6 West of the Salt Lake Base and Meridian, further described as being:

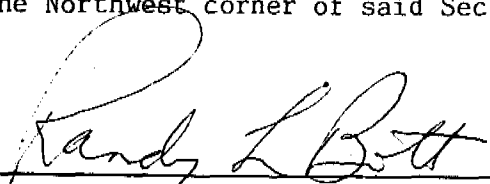
South 1981 feet and East 2081 feet from the Northwest corner of said Section 2.

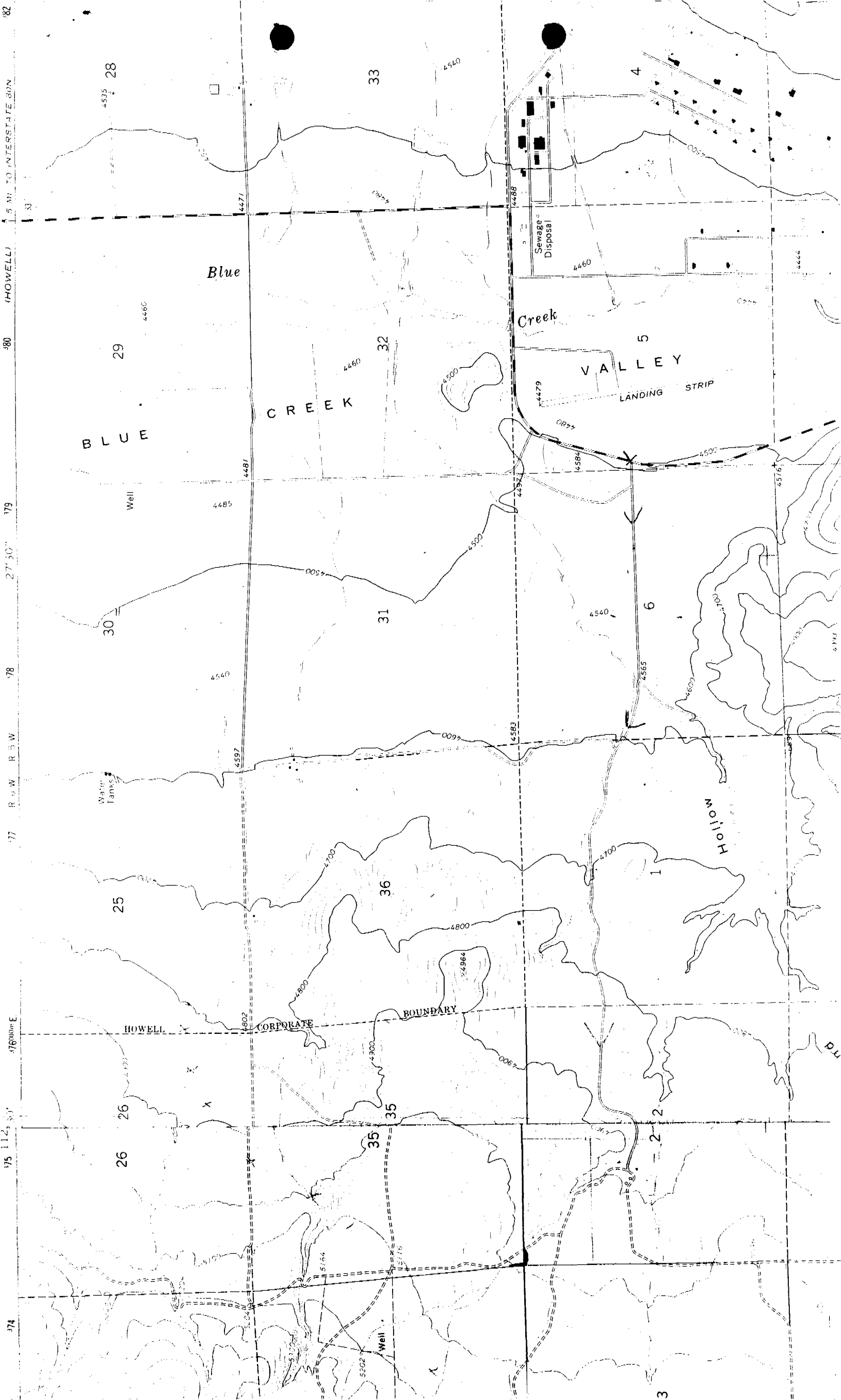
SURVEY FOR: SUBSURFACE INC.

Veloy H. Auger

Date: May 14, 1984




Randy L. Bott, Registered Land Surveyor,
Certificate #5559, Utah.



OPERATOR Subsurface Resources, Inc.

DATE 7/9/84

WELL NAME SRI 1-2

SEC SE NW 2 T 11 N R 6W COUNTY Exp Elder

43-003-30026
API NUMBER

Lease
TYPE OF LEASE

POSTING CHECK OFF:

☐

INDEX

☐

HL

☐☐

NID

☐

PI

☐☐

MAP

☐☐

PROCESSING COMMENTS:

No other wells within 1000'
Water &

APPROVAL LETTER:

SPACING: ☐ A-3 _____ UNIT

☐ c-3-a _____ CAUSE NO. & DATE

☒ c-3-b

☐ c-3-c

SPECIAL LANGUAGE:

July 9, 1984

Subsurface Resources, Inc.
690 Southwest Street
Logan, Utah 84321

RE: Well No. SRI 1-2
1981' F&L, 2081' F&L
SENE Sec. 2, T. 11N, R. 6W
Box Elder County, Utah

Gentlemen:

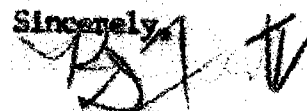
Approval to drill the above referenced oil well is hereby granted in accordance with Rule C-3 (b), General Rules and Regulations and Rules of Practice and Procedure.

In addition, the following actions are necessary to fully comply with this approval:

1. Spudding notification to the Division within 24 hours after drilling operations commence.
2. Submittal to the Division of completed Form OOC-8-X, Report of Water Encountered During Drilling.
3. Prompt notification to the Division should you determine that it is necessary to plug and abandon this well. Notify John R. Baza, Petroleum Engineer, (Office) (801) 533-5771, (Home) 298-7695 or R. J. Firth, Associate Director, (Home) 371-6068.
4. Compliance with the requirements and regulations of Rule C-27, Associated Gas Flaring, General Rules and Regulations, Oil and Gas Conservation.
5. This approval shall expire one (1) year after date of issuance unless substantial and continuous operation is underway or an application for an extension is made prior to the approval expiration date.

The API number assigned to this well is 43-003-38026.

Sincerely,



R. J. Firth
Associate Director, Oil & Gas

RJF/as

cc: Branch of Fluid Minerals

APR 1984

Application No. 13-3464

APPLICATION TO APPROPRIATE WATER
WATER RIGHTS STATE OF UTAH

(A60192)

NOTE:—The information given in the following blanks should be free from explanatory matter, but when necessary, a complete supplementary statement should be made on the following page under the heading "Explanatory."

For the purpose of acquiring the right to use a portion of the unappropriated water of the State of Utah, for uses indicated by (X) in the proper box or boxes, application is hereby made to the State Engineer, based upon the following showing of facts, submitted in accordance with the requirements of the Laws of Utah.

1. Irrigation ☒ Domestic ☒ Stockwatering ☒ Municipal ☐ Power ☐ Mining ☐ Other Uses ☐
 2. The name of the applicant is David J. Postma
 3. The Post Office address of the applicant is 4196 Hollow Road Nibley, UT 84321
 4. The quantity of water to be appropriated 0.5 second-feet and/or _____ acre-feet
 5. The water is to be used for Irrigation from April 1 to October 31
(Major Purpose) (Month) (Day) (Month) (Day)
other use period Domestic & Stock from January 1 to December 31
(Minor Purpose) (Month) (Day) (Month) (Day)
and stored each year (if stored) from _____ to _____
(Month) (Day) (Month) (Day)
 6. The drainage area to which the direct source of supply belongs is _____
(Leave Blank)
 7. The direct source of supply is* Underground Water Well
(Name of stream or other source)
which is tributary to _____, tributary to _____
- *Note.—Where water is to be diverted from a well, a tunnel, or drain, the source should be designated as "Underground Water" in the first space and the remaining spaces should be left blank. If the source is a stream, a spring, a spring area, or a drain, so indicate in the first space, giving its name, if named, and in the remaining spaces, designate the stream channels to which it is tributary, even though the water may sink, evaporate, or be diverted before reaching said channels. If water from a spring flows in a natural surface channel before being diverted, the direct source should be designated as a stream and not a spring.
8. The point of diversion from the source is in Box Elder County, situated at a point*
S. 2050 ft. E. 2000 ft. from NW Cor. Sec. 2, T11N, R6W, S1B&M
(6 miles North of Golden Spike National Monument)
- *Note.—The point of diversion must be located definitely by course and distance or by giving the distances north or south, and east or west with reference to a United States land survey corner or United States mineral monument, if within a distance of six miles of either, or if at a greater distance, to some prominent and permanent natural object. No application will be received for filing in which the point of diversion is not defined definitely.
9. The diverting and carrying works will consist of 8-inch casing 1100 feet deep
(existing oil & gas test hole)
 10. If water is to be stored, give capacity of reservoir in acre-feet _____ height of dam _____
area inundated in acres _____ legal subdivision of area inundated _____
 11. If application is for irrigation purposes, the legal subdivisions of the area irrigated are as follows:
Part of the SE1/4NW1/4, Sec. 2, T11N, R6W, S1B&M
 12. Is the land owned by the applicant? Yes X No _____ Total 10 Acres
 13. Is this water to be used supplementally with other water rights? Yes _____ No X
If "yes," identify other water rights on page 2.
 14. If application is for power purposes, describe type of plant, size and rated capacity. _____
 15. If application is for mining, the water will be used in _____ Mining District at
the _____ mine, where the following ores are mined _____
 16. If application is for stockwatering purposes, number and kind of stock watered 225 AU
 17. If application is for domestic purposes, number of persons _____, or families One
 18. If application is for municipal purposes, name of municipality _____
 19. If application is for other uses, include general description of proposed uses _____
 20. Give place of use by legal subdivision of the United States Land Survey for all uses described in paragraphs 14 to 19, incl. Same as paragraph #11
 21. The use of water as set forth in this application will consume 0.5 second-feet and/or acre-feet of water and _____ second feet and/ or acre feet will be returned to the natural stream or source at a point described as follows: _____

MICROFILMED

FEES FOR APPLICATIONS TO APPROPRIATE WATER IN UTAH

Flow rate — c.f.s.	Cost	
0.0 to 0.1	\$ 15.00	
over 0.1 to 0.5	30.00	
over 0.5 to 1.0	45.00	
over 1.0 to 15.0	45.00	plus \$7.50 for each cfs above the first cubic
over 15.0	150.00	foot per second.

Storage — acre-feet		
0 to 20	22.50	
over 20 to 500	45.00	
over 500 to 7500	45.00	plus \$7.50 for each 500 a.f. above the first
over 7500	150.00	500 acre feet.

(This section is not to be filled in by applicant)

STATE ENGINEER'S ENDORSEMENTS

1. AUG 13 1984 Application received by mail in State Engineer's office by QL
2. Priority of Application brought down to, on account of

S 16
J H

3. AUG 13 1984 Application fee, \$ 30.00, received by QL Rec. No. 16 339
4. 9-14-84 Application microfilmed by NA Roll No. 1046-1
5. 9-20-84 Indexed by OM Platted by

6. AUG 13 1984 Application examined by [Signature]
7. Application returned, or corrected by office

8. Corrected Application resubmitted by mail over counter to State Engineer's office.

9. AUG 13 1984 Application approved for advertisement by [Signature]
10. Notice to water users prepared by aw (camp)
11. 8-23-84 Publication began; was completed 9-6-84
Notice published in The Leader
12. Proof slips checked by
13. Application protested by

14. Publisher paid by M.E.V. No.
15. Hearing held by
16. Field examination by
17. 10/29/84 Application designated for approval [Signature] S.G.
rejection
18. 11/6/84 Application copied or photostated by slm proofread by
19. 11/6/84 Application approved
rejected
20. Conditions:

This Application is approved, subject to prior rights, as follows:

- a. Actual construction work shall be diligently prosecuted to completion.
- b. Proof of Appropriation shall be submitted to the State Engineer's office by 8/31/88
- c.

[Signature]
Dee C. Hansen, P.E., State Engineer

21. Time for making Proof of Appropriation extended to
22. Proof of Appropriation submitted.
23. Certificate of Appropriation, No., issued

Application No. 60192

WATER RIGHTS DATA BASE
ENTERED - DATE 8/31/88 BY QL
VERIFIED - DATE 8/31/88 BY QL

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There is no handwriting or other markings on the paper.

The quantity of water sought to be appropriated is limited to that which can be beneficially used for the purpose herein described.

Signature of Applicant*

STATE OF UTAH.
County of.....

DECLARATION OF CITIZENSHIP

On the 13 day of August, 1927, personally appeared before me, a notary public for the State of Ill., the above applicant who, on oath, declared that he is a citizen of the United States, or has declared his intention to become such a citizen.

My commission expires 12-1-28

My commission expires _____

(SEAL)

Notary Public

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

NAME OF COMPANY: SUBSURFACE RESOURCES

WELL NAME: SRI #1-2

SECTION SE NW 2 TOWNSHIP 11N RANGE 6W COUNTY Box Elder

DRILLING CONTRACTOR Desert Drilling

RIG #

SPUDDED: DATE 7-18-84

TIME 12:00 Noon

HOW Rotary

DRILLING WILL COMMENCE

REPORTED BY V. L. Auger

TELEPHONE # 752-8407

DATE 7-20-84 SIGNED AS

July 25, 1984

State Of Utah
Oil, Gas & Mining Division

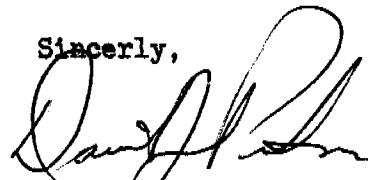
Dear Sirs:

An exploratory well was drilled on my property by Subsurface Resources Inc. NE $\frac{1}{4}$ of NW $\frac{1}{4}$ Sec 2 T 11 N R 6W namely SRI 1-2. After encountering much water they chose to abandon it. With no shows of oil or gas whatsoever. I would like to assume the well as is, for a fresh water well.

I will take full responsibility for plugging the well upon abandonment as a water well.

I also agree to file a written request with the State Engineer for appropriation.

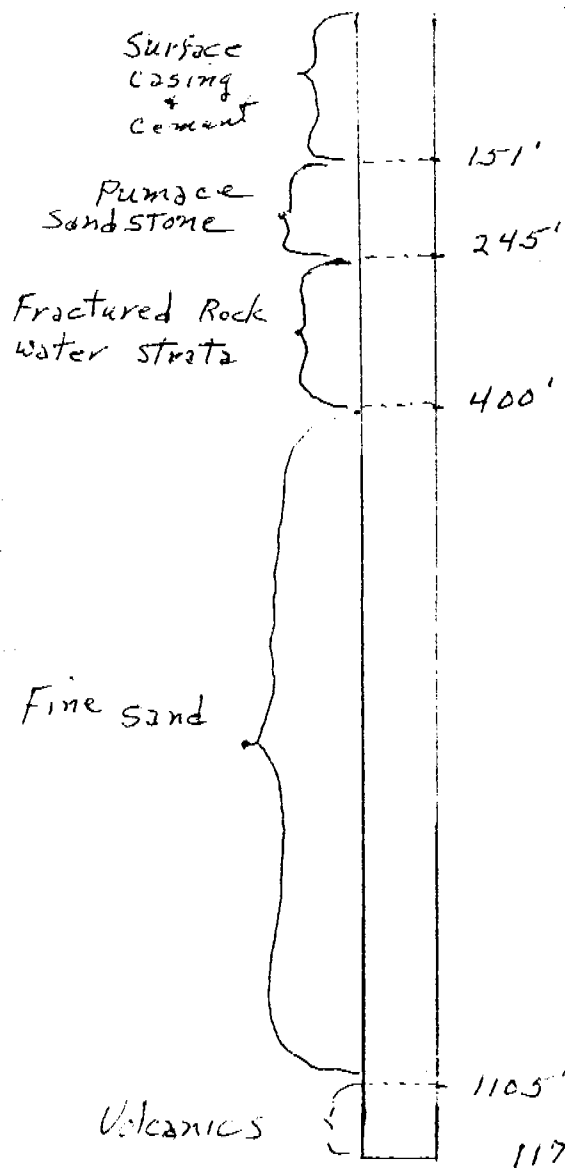
Sincerely,



David J. Postma

46184 ✓
Operator is obtaining State of Utah
water appropriation & will
be submitting Aundry notice
of Abnd. & landowner will
assume operations as water
well ✓
Don't Hassle!! if possible

8/6/84 ✓



Lost Circulation

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

PRINT IN TRIPLICATE*
(Other instructions on reverse side)

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a reservoir. Use "APPLICATION FOR PERMIT—" for such proposals.)

1. OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. <i>Fee</i>	
2. NAME OF OPERATOR <i>Subsurface Resources, INC</i>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
3. ADDRESS OF OPERATOR <i>690 Southwest ST Logan UT 84321</i>		7. UNIT AGREEMENT NAME	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.) At surface <i>South 1981' East 208' From N.W cor. Sec 2</i>		8. FARM OR LEASE NAME <i>S. J. Postma</i>	
14. PERMIT NO. <i>43-003-30026</i>		9. WELL NO. <i>SRI-1-2</i>	
15. ELEVATIONS (Show whether DV, RT, OR, etc.) <i>4910'</i>		10. FIELD AND POOL, OR WILDCAT <i>Wildcat</i>	
		11. SEC., T., S., M., OR BLK. AND SURVEY OR AREA <i>Sec 2 T11N R6W</i>	
		12. COUNTY OR PARISH <i>Box Elder</i>	
		13. STATE <i>Utah</i>	

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input checked="" type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input checked="" type="checkbox"/>	(Other) <input type="checkbox"/>	

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Said well was started July 18, 1984 - 7" surface casing was set and cemented to 151' - 6 1/4" Hole drilled to 1175' with Air and Foam. Lost Return of cuttings. Changed to Drilling mud and loss circulation material. Driller could not get circulation return. We decided to Abandon project - with water in the well the Landowner wanted it.

Attached to this form is All Necessary Documents

APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING

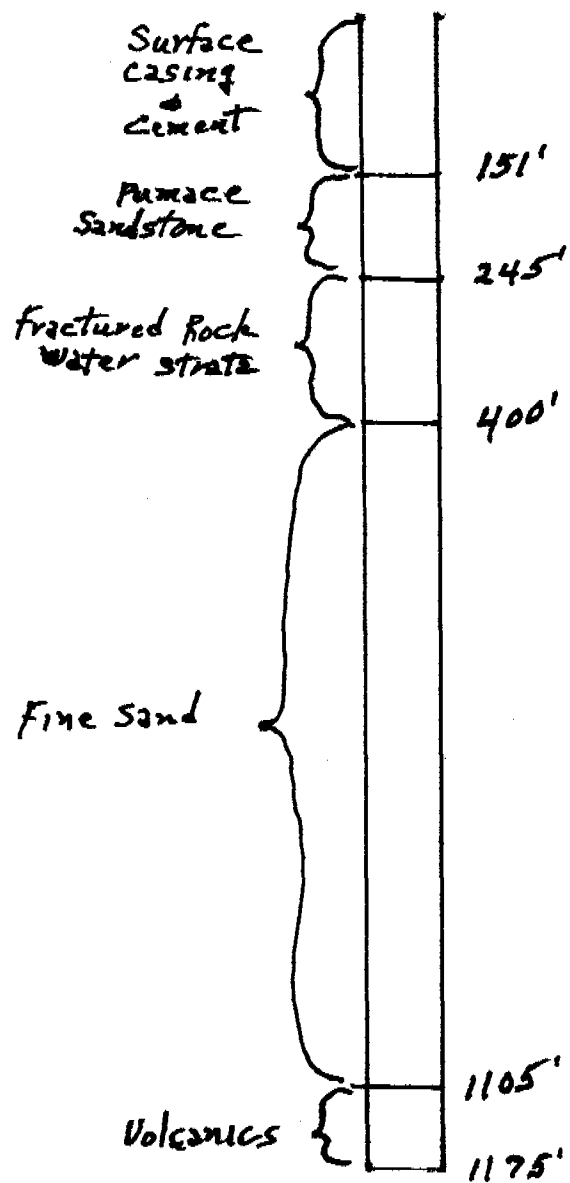
DATE: *11/21/84*
BY: *John R. Bays*

18. I hereby certify that the foregoing is true and correct

SIGNED *James D. Ingham* TITLE *V.P. & Sec* DATE *11-14-84*

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____
CONDITIONS OF APPROVAL, IF ANY:



STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

5. LEASE DESIGNATION AND SERIAL NO.

FEE

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

S. J. POSTMA

9. WELL NO.

SRI 1-2

10. FIELD AND POOL, OR WILDCAT

Wildcat

11. SEC., T., R., M., OR BLOCK AND SURVEY
OR AREA

Sec 2 T11N R6W

12. COUNTY OR
PARISH

Box Elder

13. STATE

Utah

18. ELEVATIONS (DF, RES, RT, GR, ETC.)*

4900'

19. ELEV. CASINGHEAD

WELL COMPLETION OR RECOMPLETION REPORT AND LOG *

1a. TYPE OF WELL:

OIL
WELL ☐GAS
WELL ☐DRY ☒

Other P&A

b. TYPE OF COMPLETION:

NEW
WELL ☒WORK
OVER ☐DEEP-
EN ☐PLUG
BACK ☐DIFF.
RESVR. ☐

Other

2. NAME OF OPERATOR

SUBSURFACE RESOURCES INC.

3. ADDRESS OF OPERATOR

690 Southwest Street, Logan, Utah 84321

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*

At surface 1981' FNL & 2081' FWL SE NW

At top prod. interval reported below

At total depth

14. PERMIT NO.

43-003-30026

DATE ISSUED

7-9-84

15. DATE SPUNDED

7-18-84

16. DATE T.D. REACHED

7-24-84

17. DATE COMPL. (Ready to prod.)

7-24-84

20. TOTAL DEPTH, MD & TVD

1175'

21. PLUG, BACK T.D., MD & TVD

22. IF MULTIPLE COMPL.,
HOW MANY*23. INTERVALS
DRILLED BY

ROTARY TOOLS

CABLE TOOLS

24. PRODUCING INTERVAL(S). OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)*

25. WAS DIRECTIONAL
SURVEY MADE

26. TYPE ELECTRIC AND OTHER LOGS RUN

No logs run

27. WAS WELL CORED

29. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
7"		151'	6 1/4"		
		1175'			

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	BACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)

31. PERFORATION RECORD (Interval, size, and number)

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED

33.* PRODUCTION

DATE FIRST PRODUCTION		PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)				WELL STATUS (Producing or shut-in)	
						P&A	
DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO
			→				
FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GRAVITY-API (CORR.)	
		→					

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)

TEST WITNESSED BY

35. LIST OF ATTACHMENTS

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED

V. L. Anger/RJR

TITLE

Sec.

DATE

12/12/84

*(See Instructions and Spaces for Additional Data on Reverse Side)